

Sussex Demographic and Labor Market Trends

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Introduction

■ Statistical Update

- Differences among the regions in Sussex
- Demographic, economic and labor market update
- Is Sussex doing better?
- Review of industry job trends

■ Focus

- Review of major industry sectors
- Small business and entrepreneurship

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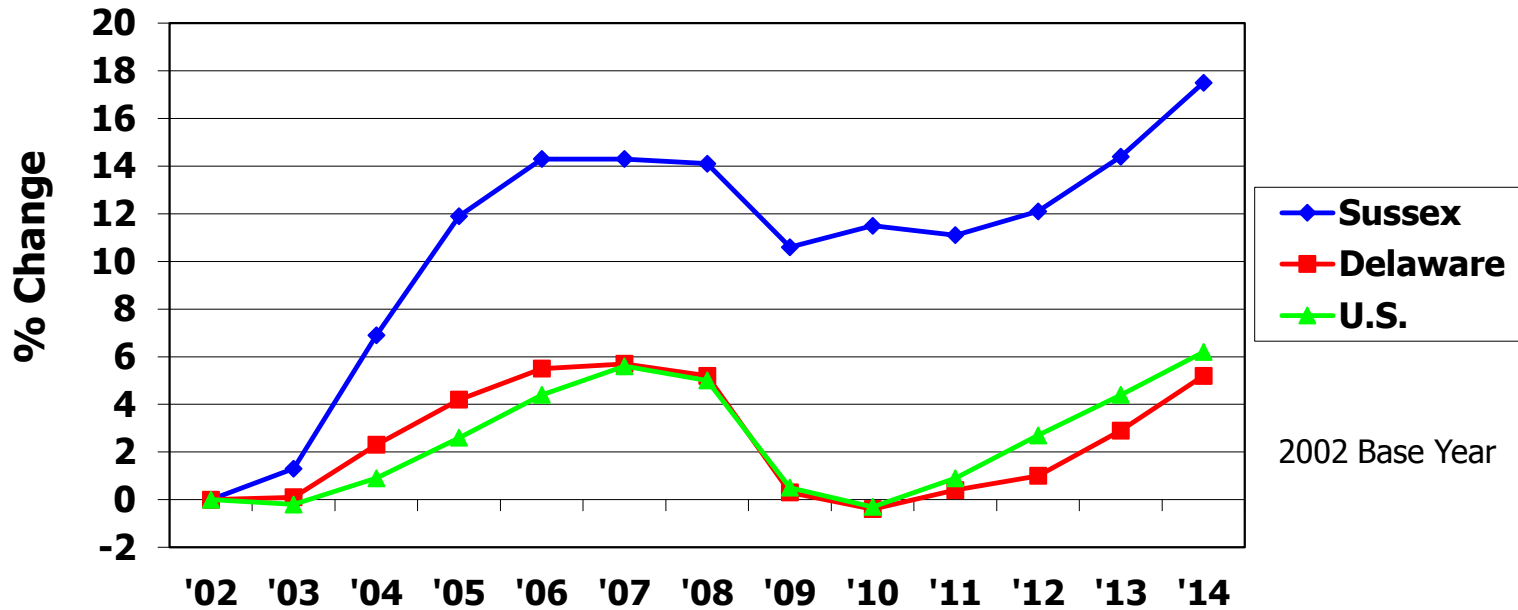
Unemployment Trend

- During the past couple of years the rates are showing some improvement.

Year	Sussex	DE	US
2010	8.0%	8.0%	9.6%
2011	7.6%	7.4%	8.9%
2012	7.1%	7.1%	8.1%
2013	6.7%	6.7%	7.4%
2014	6.1%	6.1%	6.3%

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

Sussex Jobs Are Increasing



Sussex Trends: Jobs grew faster at first and then declined more slowly. During the past few years Sussex has had modest job growth.

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

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Agriculture in Sussex

- Sussex has more acres of farmland than New Castle and Kent combined.
- From 2007 to 2012 the number of farms declined from 1,374 to 1,214; but average size of farms rose from 196 acres to 224 acres.
- From 2007 to 2012 farm acreage in Sussex rose slightly - from 269,464 to 272,232 acres.
- The market value of agricultural products sold was \$921 million.
- Sussex County is the number one broiler producing county in the U.S. *Source: 2012 Census of Agriculture.*
- Poultry is our #1 farm commodity representing over 70% of Sussex Market value of agricultural products sold.
- On the Delmarva Peninsula, Sussex remains a key leader in the production of soybeans, corn and wheat.

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Market Value of Agricultural Products Sold \$921 Million in Sussex

- \$249 Million – Crops
- \$672 Million – Livestock, Poultry

Poultry and Eggs represent about 71%
Of total agricultural products sold in Sussex.

Source: 2012 Census of Agriculture

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Sales Volume in Sussex

About \$28.2 Billion Overall
The following comprise about 85% of the total.

Industry	Billions
Wholesale Trade	\$7.4
Manufacturing	\$6.8
Retail Trade	\$4.7
Construction	\$1.9
Real Estate, Rentals & Leasing	\$1.8
Health & Social Assistance	\$1.5

Source: Infogroup (InfoUSA) Business Analytics, May 2014

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People

Demographic Trends

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In an Average Month in Sussex . . .

- 180 people are born.
- 187 people die.
- 280 people move here from another area.

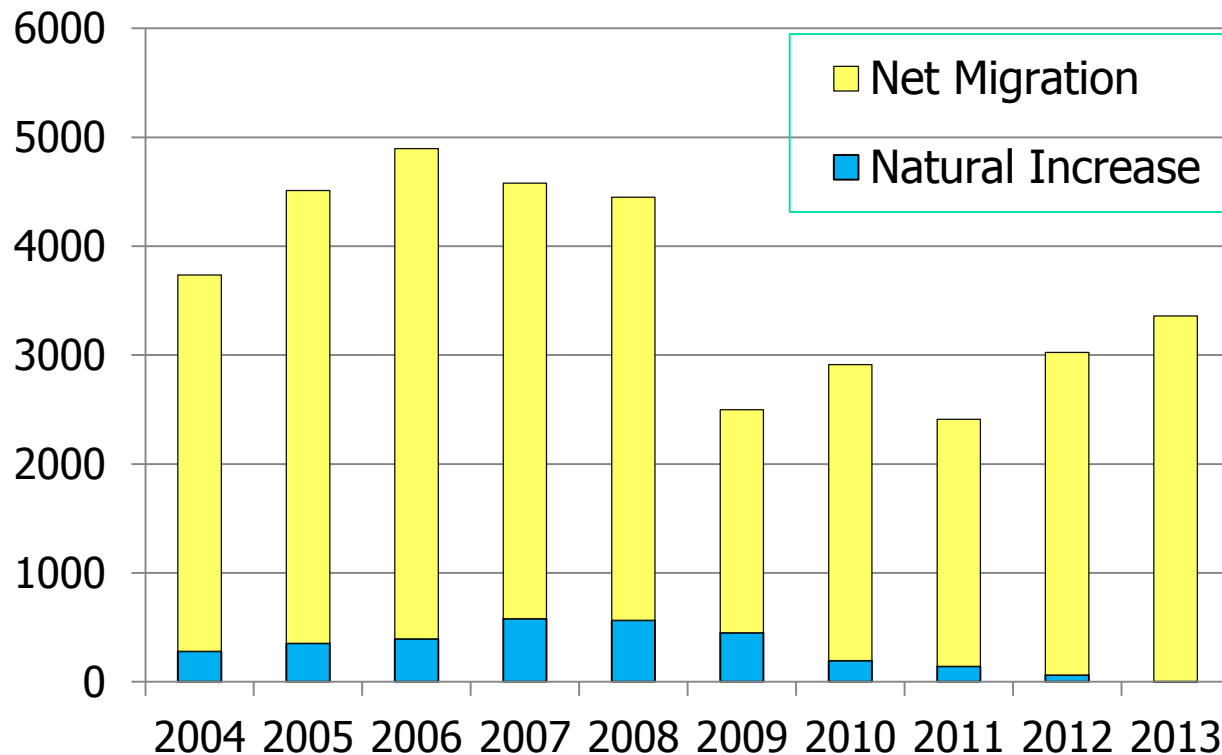
Source: U.S. Census Bureau (7/12 to 7/13)

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Sussex Population Growth is Steady (Annual Change)



Source: U.S. Census Bureau

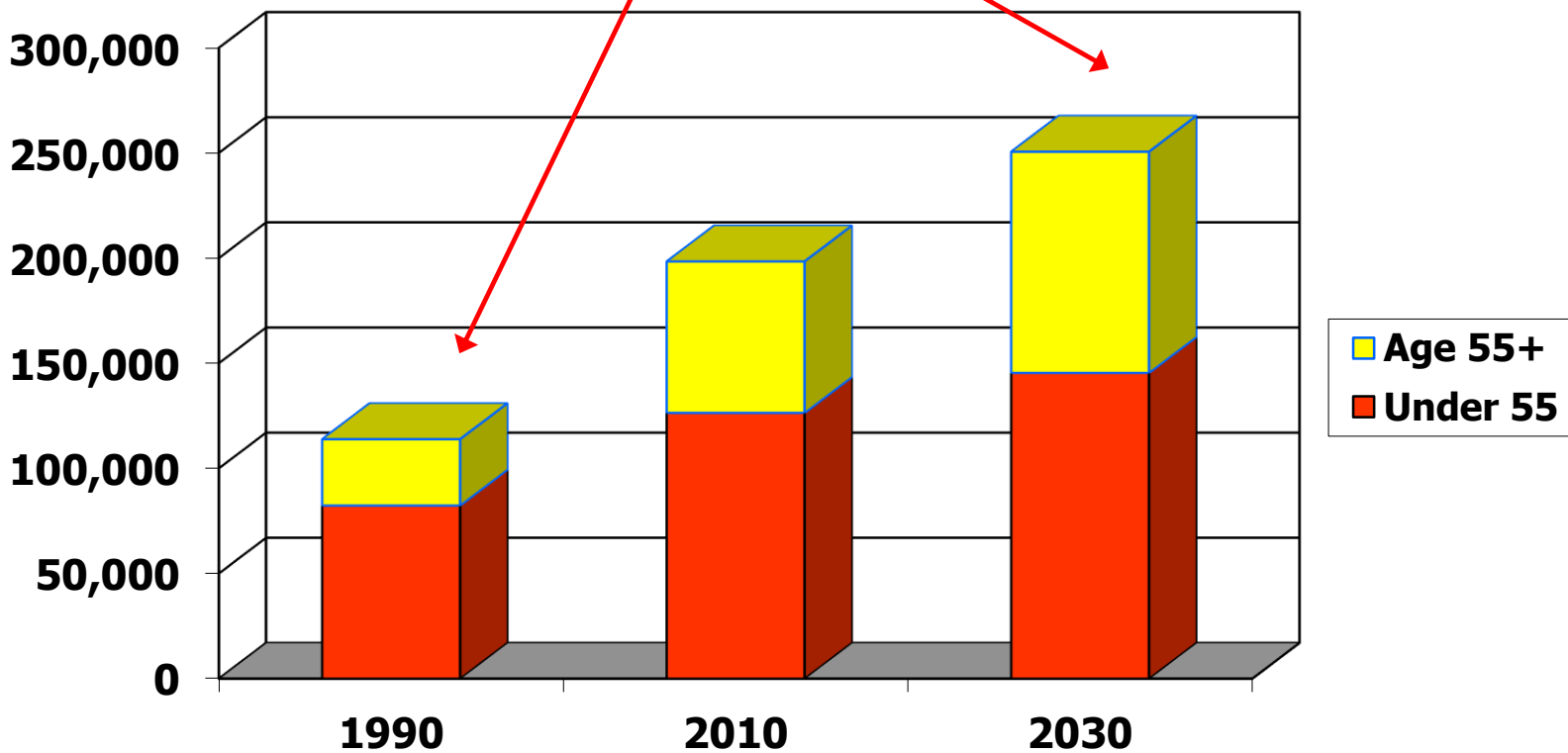
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Long Term Population Trends in Sussex

55+: 28% in 1990 - to 42% in 2030



Source: Delaware Population Consortium

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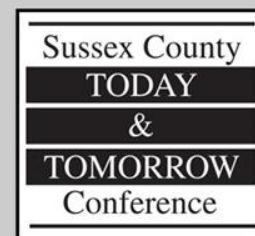
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Median Age 2014 Estimate

Area	Median Age
Sussex County	46.3
Sussex East	55.2
Sussex Central	44.2
Sussex West	39.9
Delaware	39.2
U.S.	37.4

Source: *DemographicsNow*

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Median Household income 2014 Estimate

Area	Median Household Income (\$)
Sussex County	51,472
Sussex East	56,706
Sussex Central	49,617
Sussex West	47,644
Delaware	58,903
U.S.	51,972

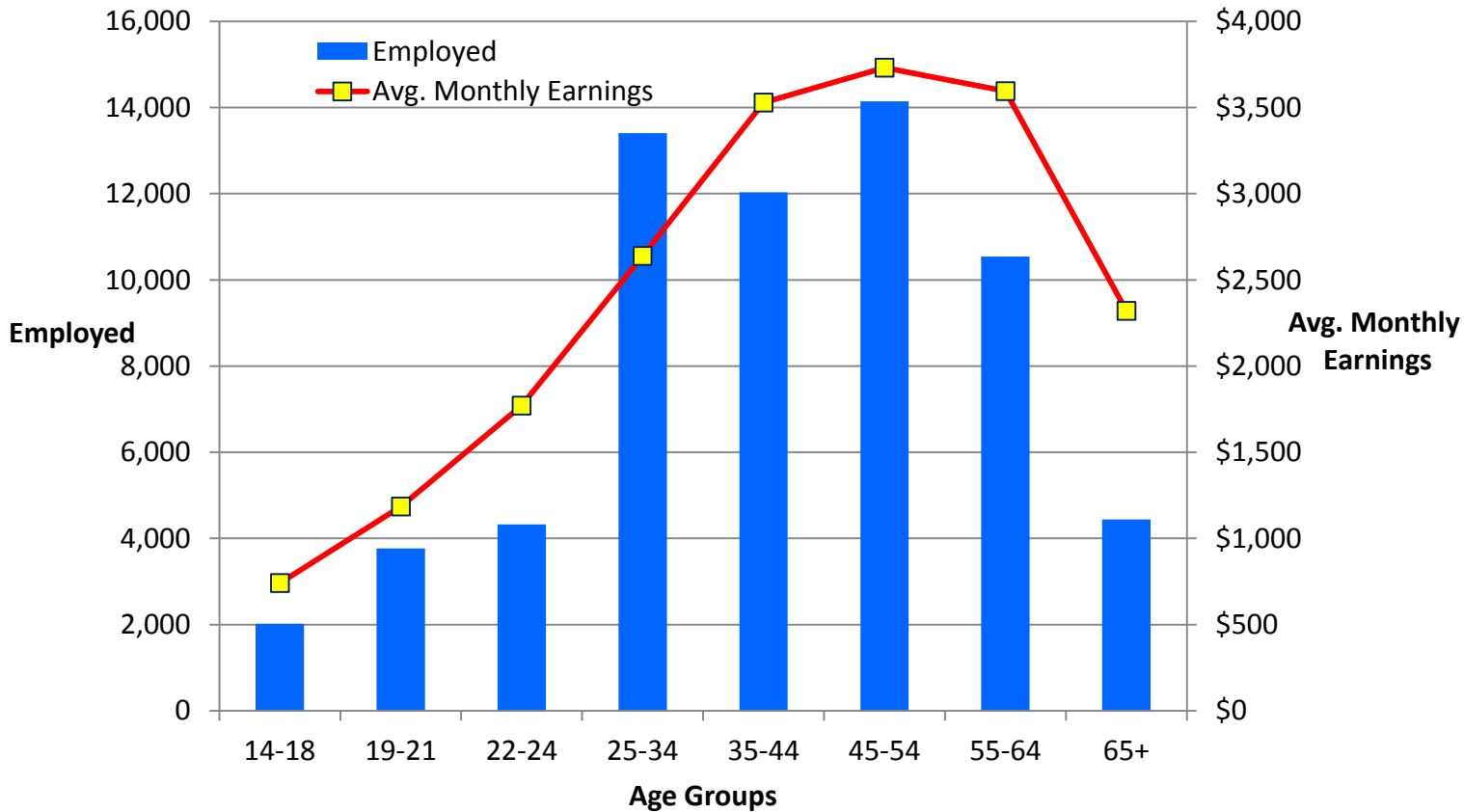
Source: Demographics*Now*

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Employment and Wages by Age Group Sussex 2013



Source: U.S. Census Bureau, LEHD

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Jobs/Industry

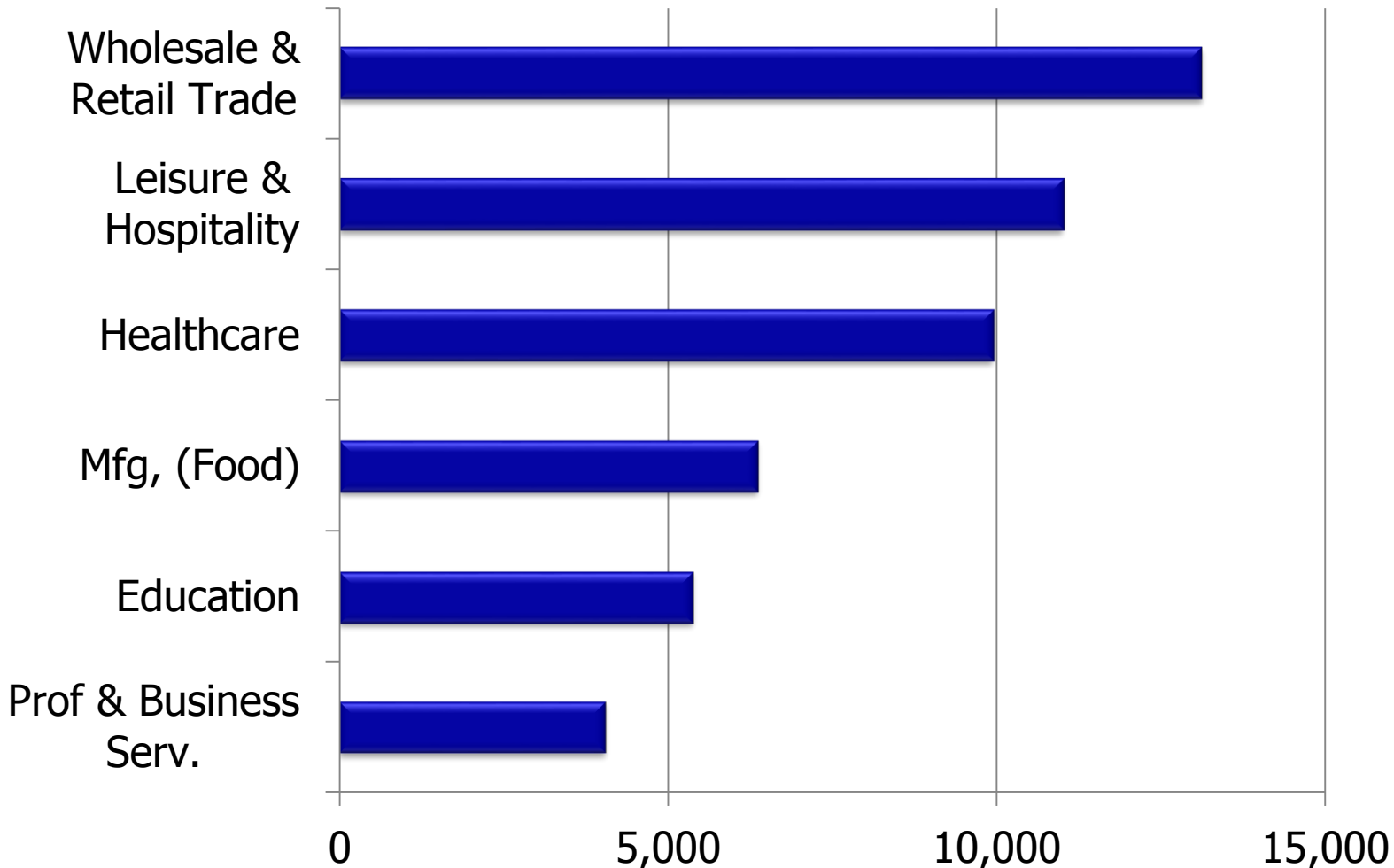
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Major Sussex Industry Groups 2013 Employment



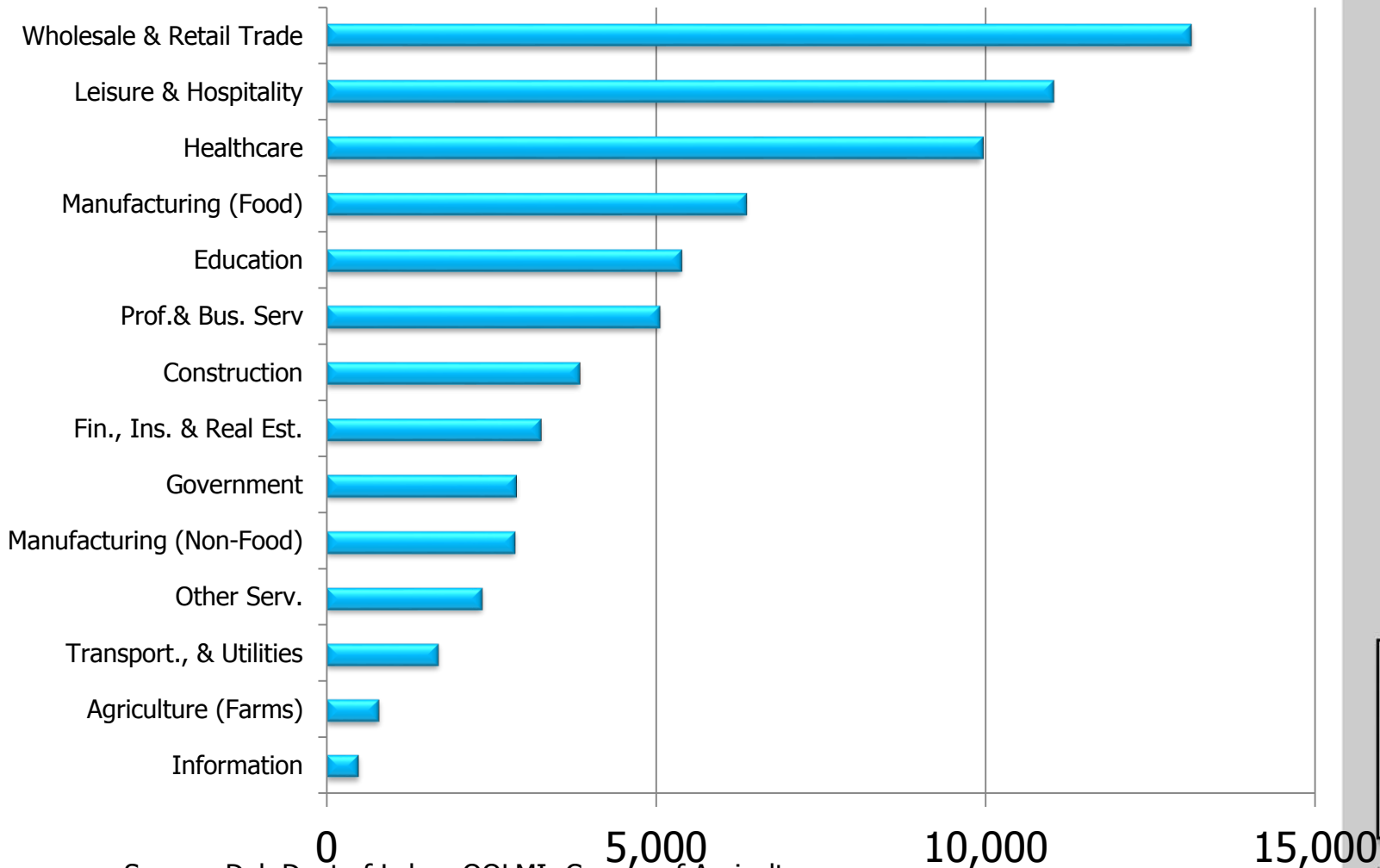
Source: Del. Dept of Labor, OOLMI

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Where Sussex Countians Works 2013



Source: Del. Dept of Labor, OOLMI; Census of Agriculture

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Nonemployer data in Sussex 2012

- Businesses with employees
 - Source DE Dept. of Labor
 - Part of the Unemployment Insurance system
- Establishments with no employees
(Self-Employed and Entrepreneurs)
 - Source: U.S. Census Bureau – “Nonemployer Statistics”
 - Most recent data is for 2012
 - How are they obtained?
 - How are they different from other data?
 - Why is this source important?
 - We’ll refer to this information as “Establishments with no employees.”

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Establishments with No Employees 2012

	Establishments	Receipts	Avg. Annual Receipts Per Firm
Delaware	56,186	\$3,128,745,000	\$55,685
New Castle	32,533 (57.9%)	\$1,974,475,000	\$60,691
Kent	9,128 (16.2%)	\$ 464,760,000	\$50,916
Sussex	14,525 (25.9%)	\$ 689,510,000	\$47,471

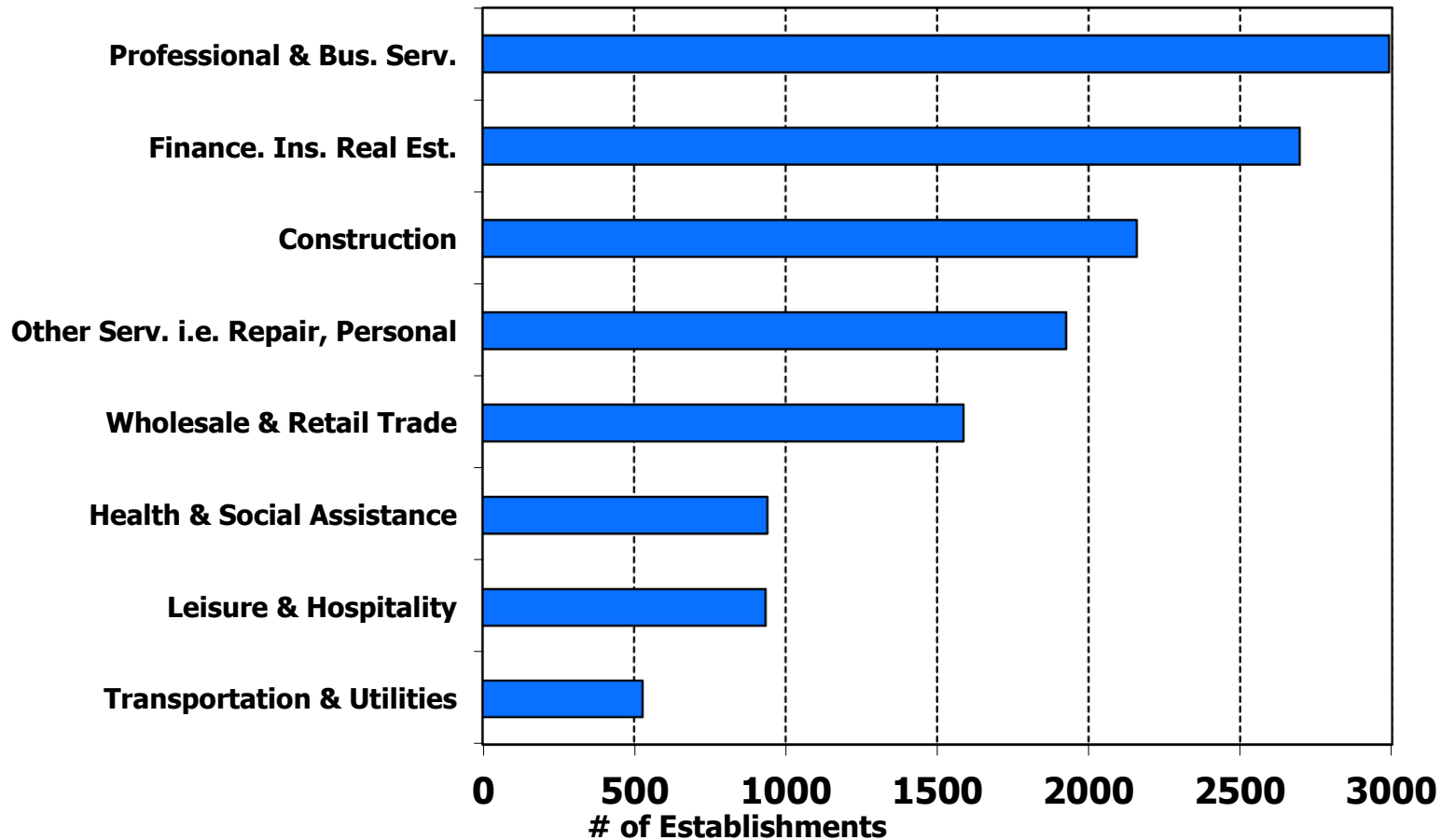
Source: U.S. Census Bureau –
Non-employer Statistics

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Establishments With No Employees 2012



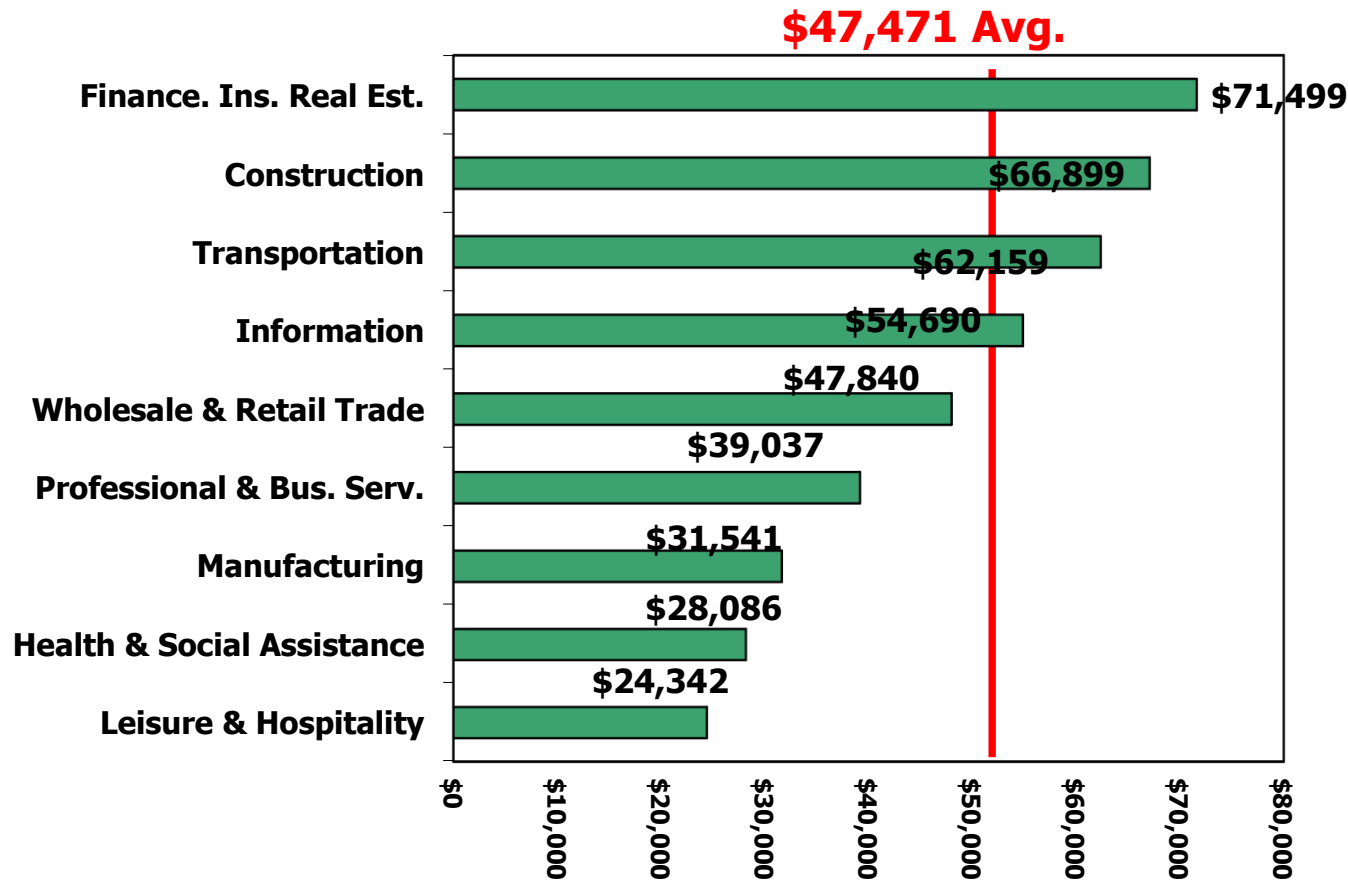
Source: U.S. Census Bureau –
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Average Annual Gross Receipts, Establishments With No Employees 2012



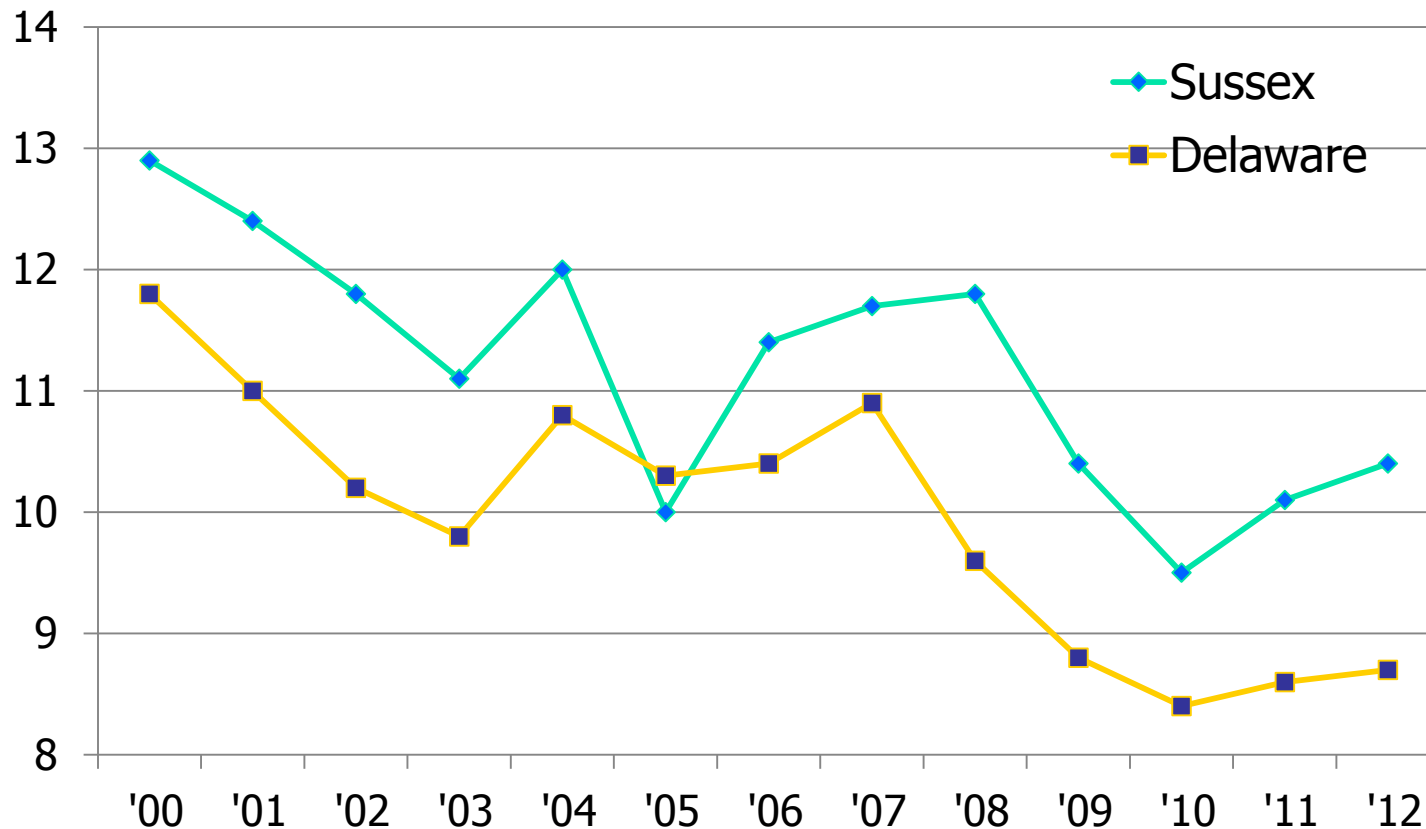
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Turnover Rate Percentages Sussex and Delaware



Source: U.S. Census Bureau, LEHD

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Turnover Rates by Industry in Sussex 2012

- Industries with highest turnover rates:
 - Arts, Entertainment, 17.8%
 - Accommodations, Food Serv., 17.7%
 - Admin, 15.7%
 - Retail Trade, 11.1%
- Industries with lowest turnover rates:
 - Utilities, 1.6%
 - Education, 4.8%
 - Information, 5.7%

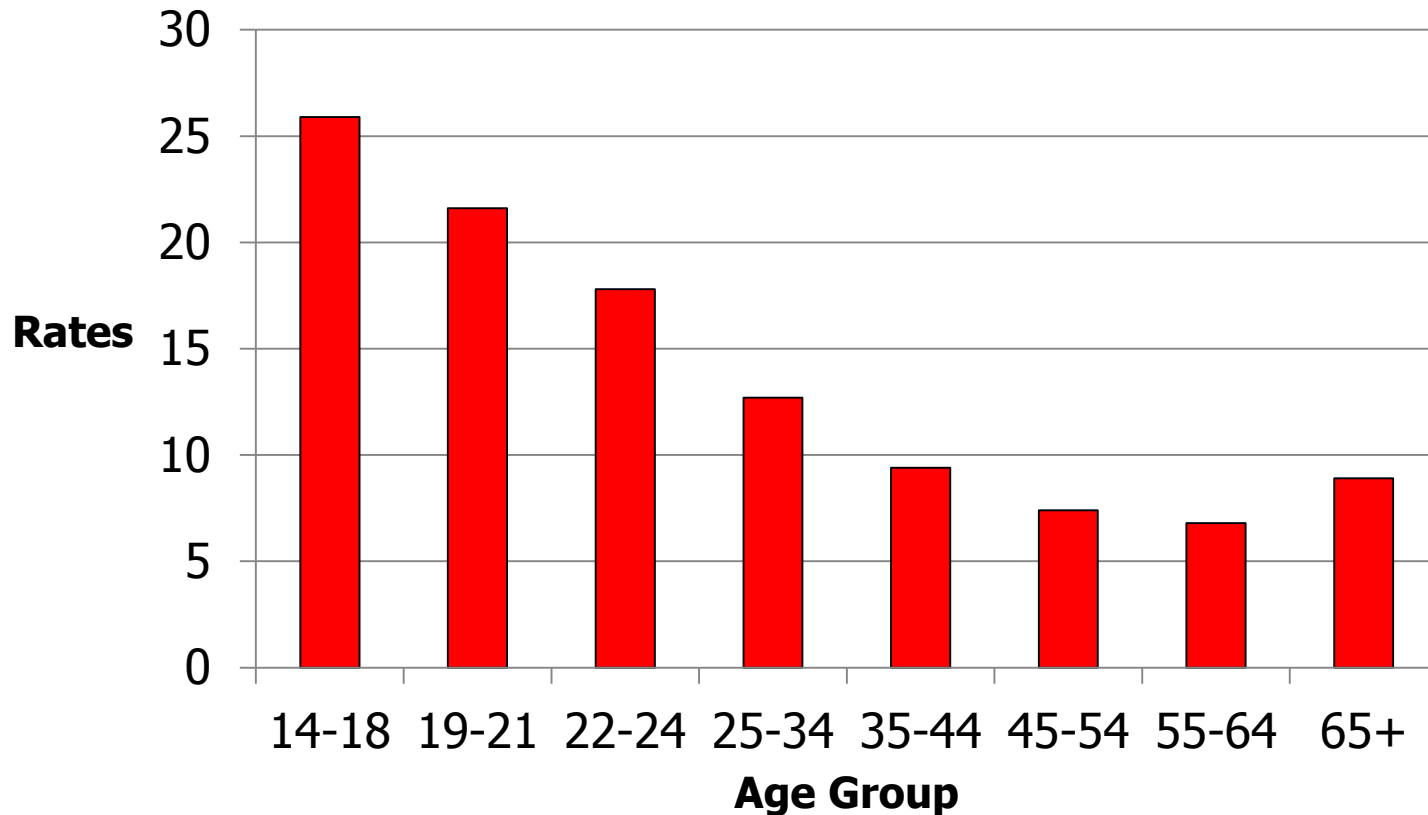
Source: U.S. Census Bureau, LEHD

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Turnover Rates by Age in Sussex 2012



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Industries with the largest number of older workers

Industry	55+ Workers	% of Total Individuals
Retail Trade	2,718	24.5
Health Care and Social Assistance	2,685	25.9
Manufacturing	1,965	21.6
Education	1,422	29.0
Accommodation and Food Service	912	10.1
Construction	723	21.8
Real Estate and Rental and Leasing	577	35.3
Other Services	570	25.6

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Sussex Labor Force Data

- Total Sussex Population = 210,100
- Employed = 86,800
- Not in the labor force, 16 years+ = 80,700
(retired, in school, or not looking for work)
- Persons under age 16 years = 37,000
- Unemployed/actively seeking = 5,600

Source: U.S. Dept. of Labor, Bureau of Labor Stat.; and U.S. Census Bureau

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Average Annual Wage Total All Industries

Delaware	\$ 52,021
New Castle	\$ 58,925
Kent	\$ 38,569
Sussex	\$ 35,213

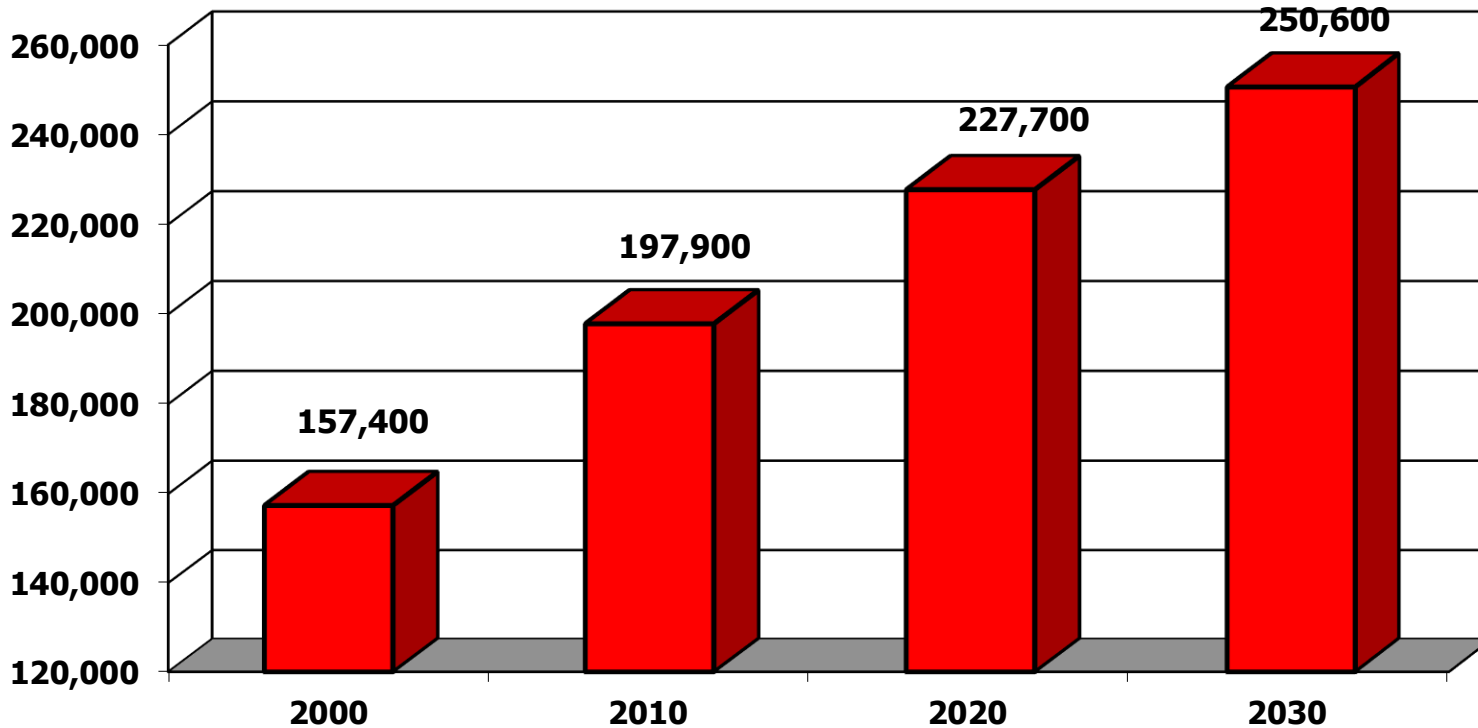
2013 Annual Avg.

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Sussex Population Continues to Increase



Source: Delaware Population Consortium

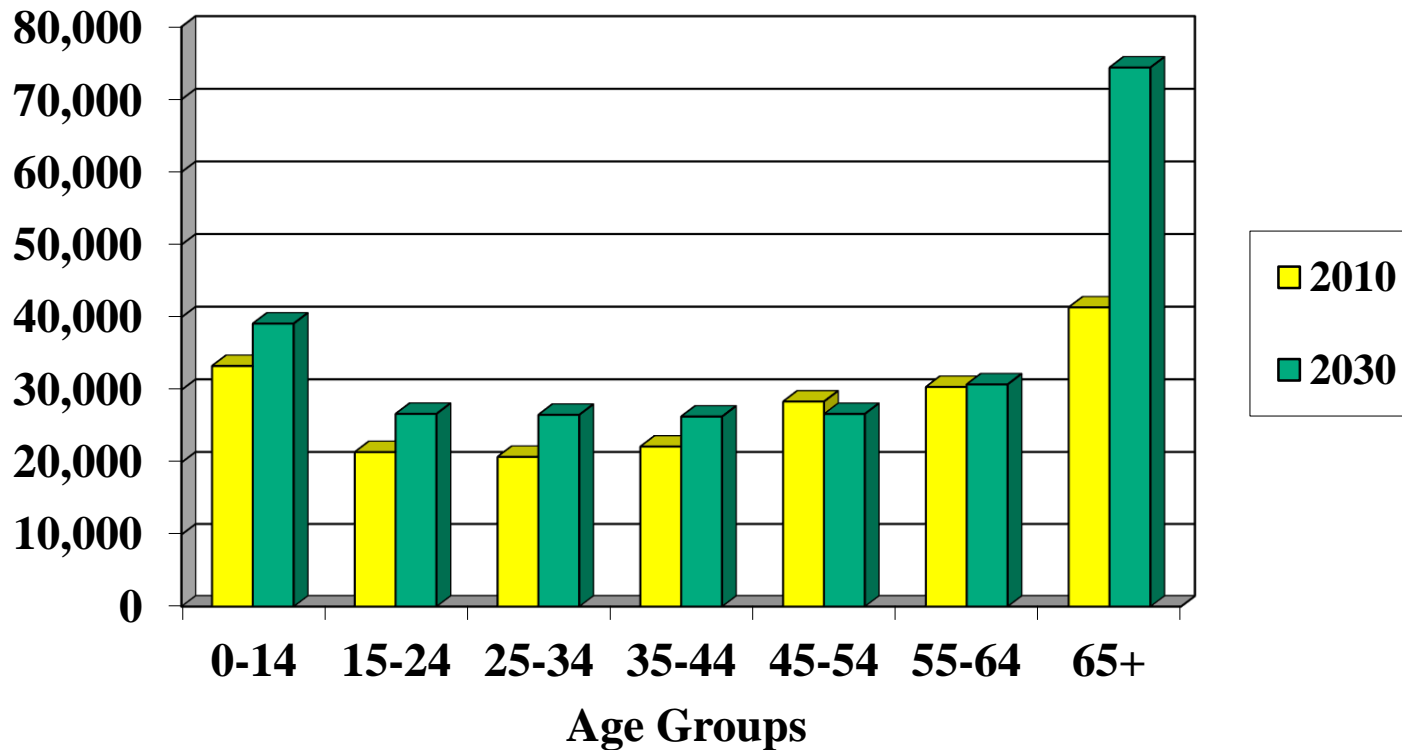
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Highest Growth in Youngest & Oldest Sussex 2010 and 2030



Source: Delaware Population Consortium

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Population/Age Impact on County

Age Group	Pop. Change 2010 to 2030
0-14	5,842
15-24	5,262
25-34	5,794
35-44	4,135
45-54	-1,711
55-64	349
65+	33,035

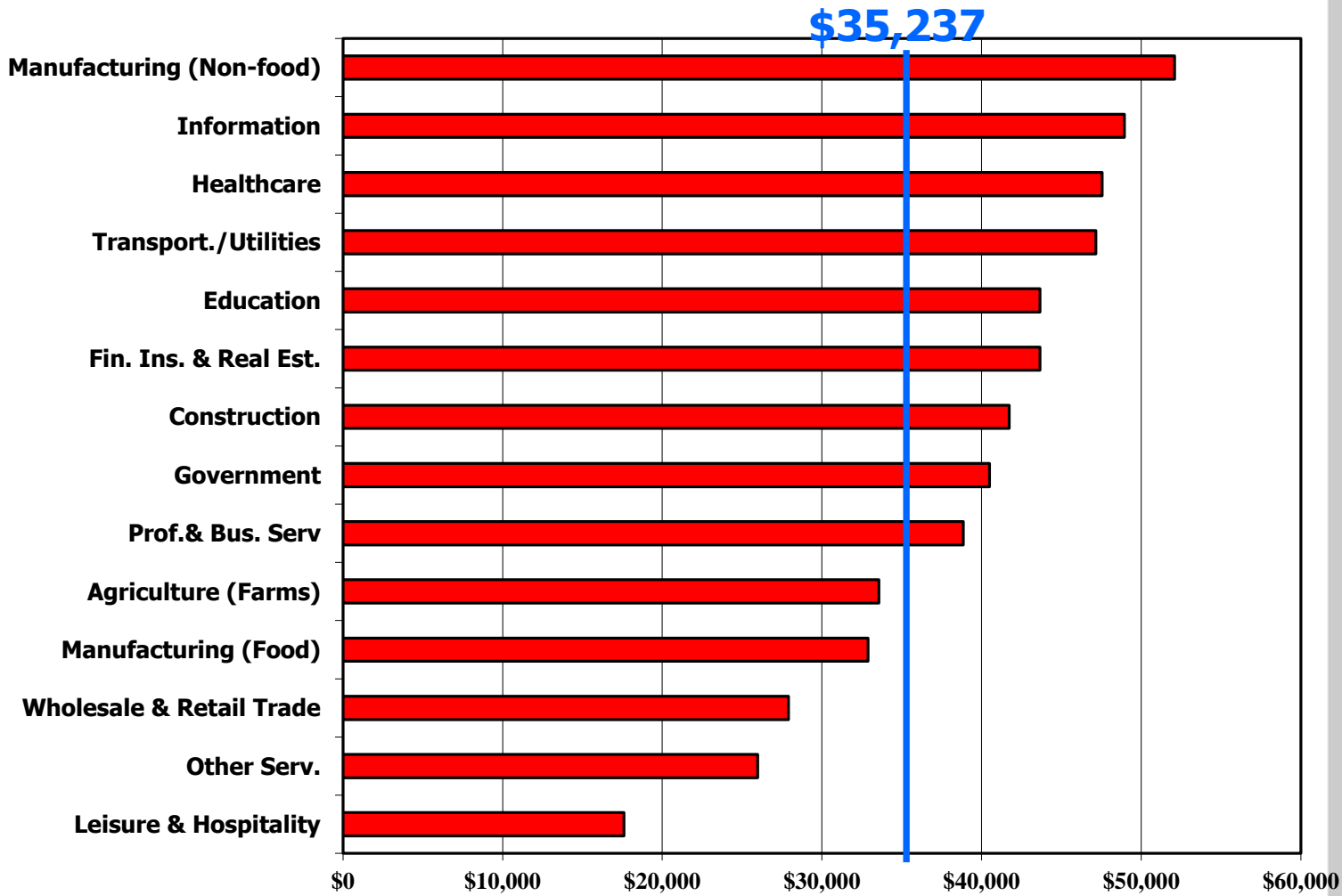
- Increased school population
- Expanded opportunities and need for education and training
- Not much growth for working age population
- Focus on retention of young persons
- Aging population will impact:
 - Healthcare
 - Eldercare
 - Transportation
 - Social Services
- More affordable homes for young adults and retirees
- More planned communities (adult communities) – with services

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Average Annual Wage by Industry in Sussex 2013

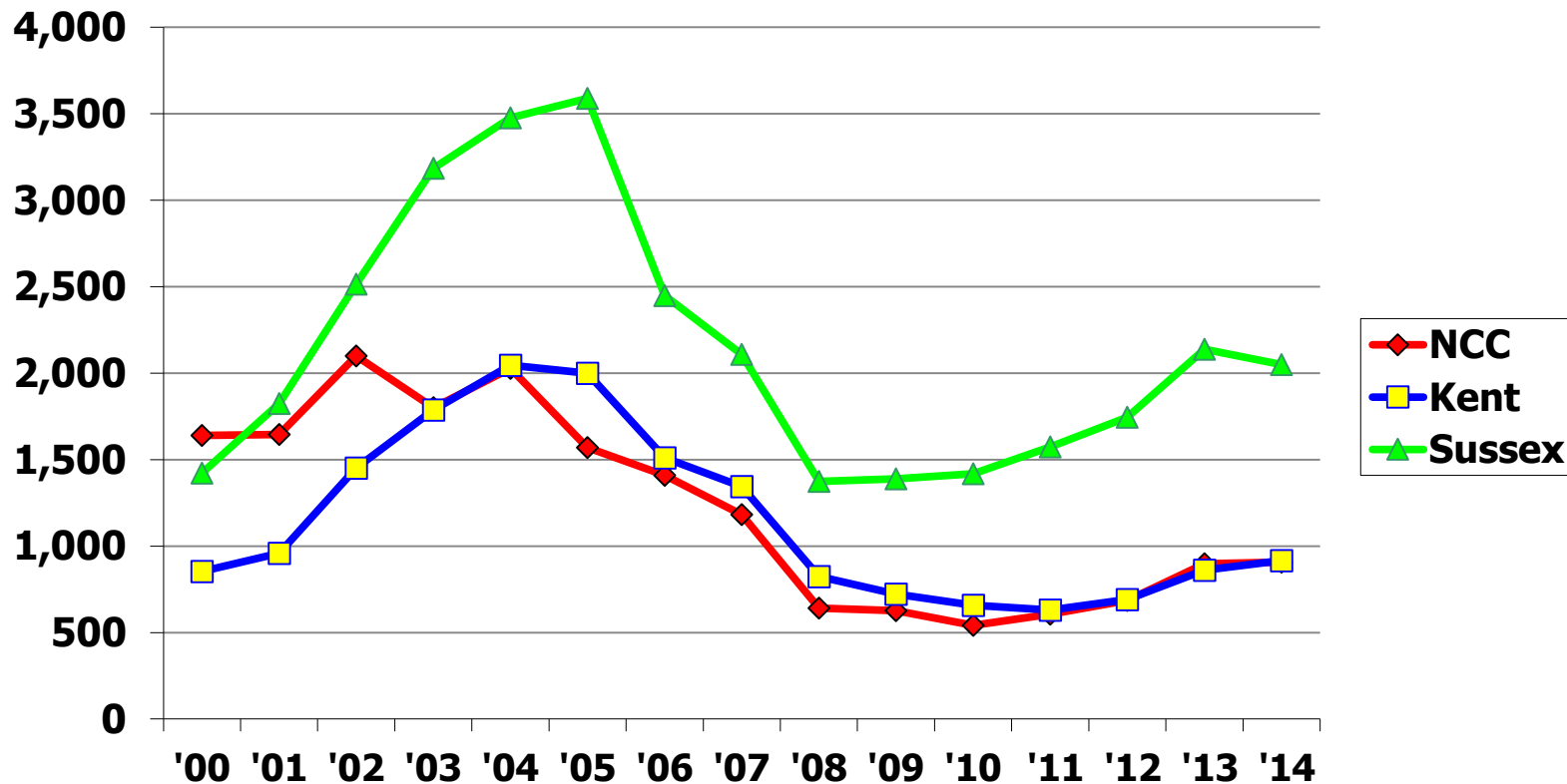


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Housing Production Number of Units*



*These numbers represent new housing units authorized by building permits.

Source: U.S. Bureau of the Census

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Largest Occupational Groups in Sussex 2013

Occupational Group	Employment	Annual Avg. Wage
Food Preparation and Serving Related	9,880	\$22,350
Office and Administrative Support	9,670	\$31,790
Sales and Related	8,710	\$31,750
Production	7,700	\$28,530
Healthcare Practitioners and Technical	4,820	\$77,050
Transportation and Material Moving	4,820	\$30,170
Education, Training, and Library	4,160	\$48,040
Building and Grounds Cleaning and Maintenance	3,260	\$24,850
Installation, Maintenance, and Repair	3,090	\$41,120
Construction and Extraction	2,980	\$37,340
Healthcare Support	2,490	\$28,620
Management	1,480	\$113,640
Business and Financial Operations	1,470	\$60,980

U.S. Dept. of Labor, Bureau of Labor Statistics, (BLS)

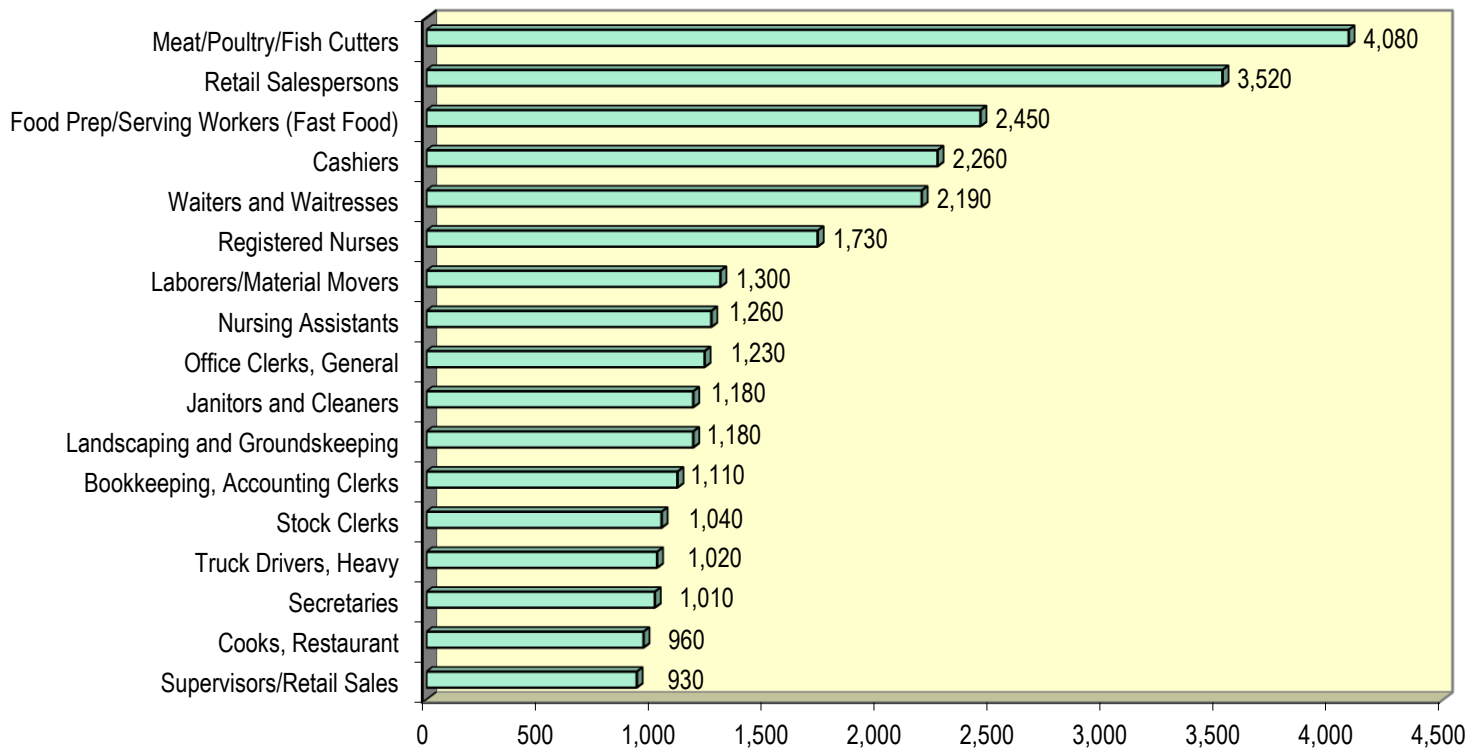
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Largest Specific Occupations in Sussex 2013



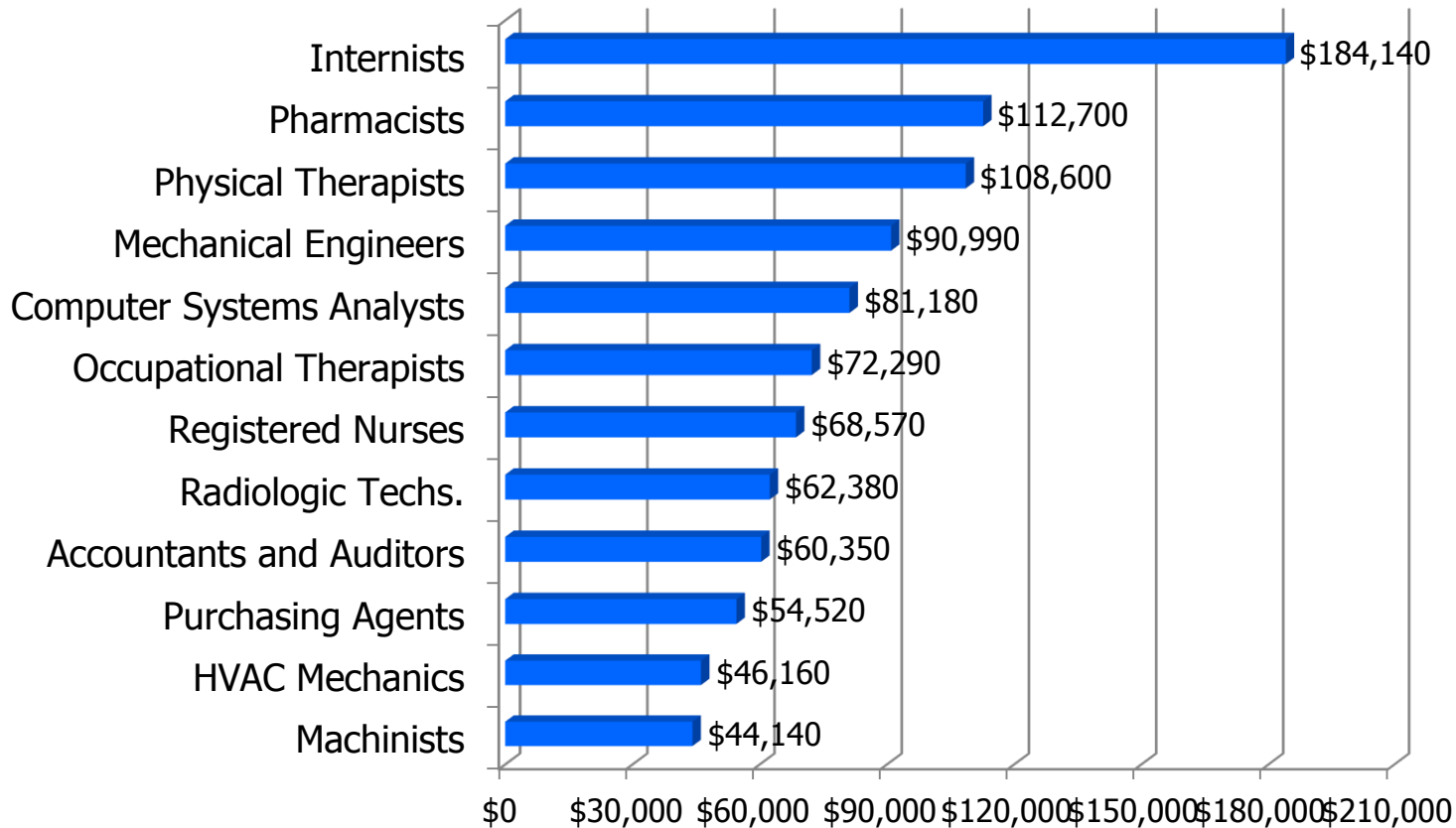
Source: U.S. Dept. of Labor, Bureau of Labor Statistics

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Annual Wages for Selected Occupations in Sussex 2013



Source: U.S. Dept. of Labor, Bureau of Labor Statistics

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Demographic Summary

- In the past 25 years Sussex County's population has grown rapidly. The growth trend is expected to continue, although at a slightly slower rate. The growth rate will be influenced by the rebound in the real estate sector and the continuation of the influx of retirees.
- A large pool of potential workers exists, as 80,700 of our residents are not in the labor force.
- The largest increase in our population will come from persons age 65+.
- This will continue to increase the demand for healthcare services and the need for jobs in the field.
- We will continue to focus on the need to attract and retain younger workers to replace "Baby-Boomers" during the next few years. But at the same time, we will need to find ways to extend careers and introduce encore careers to our senior population.
- We must continue to improve the quality of our workforce. This is a must for ensuring retention of existing businesses and attraction of new ones. We need to continue to improve our educational attainment results.

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Jobs Summary

- Since 2002, a large portion of total Sussex job growth has occurred in four sectors: Healthcare; Leisure & Hospitality; Education; and Professional & Business Services.
- Leisure & Hospitality and Wholesale & Retail Trade are very large, but relatively low paying industries. These two major groups represent 35% of jobs and 23% of total payroll.
- In 2013, job growth in Sussex was led by Professional & Business Services, Leisure & Hospitality, and Wholesale & Retail Trade.

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Jobs Summary (Continued)

- Since 2002 job growth in Sussex has been faster than both Delaware's rate and the U.S. growth rate.
- But in 2009 the number of jobs have declined in most areas. But in Sussex, there has been job growth for the past three years.
- Education and training are the keys to our long term success and ability to support entrepreneurial efforts.
- Wages and salaries are lower in Sussex (\$35,200, Sussex vs. \$52,000, Del.)
- Industries that have above average annual wages include:
Manufacturing (non-food), \$52,086; Information, \$48,941;
Healthcare, \$47,550; Transportation/Utilities, \$47,167; Education, \$43,669; Finance, Insurance & Real Estate, \$43,657;
Construction, \$41,734; Government, \$40,492; and Professional & Bus. Services, \$38,853.

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Conclusion

- Small businesses are critical to the success of Sussex; Support the efforts of small businesses and entrepreneurs.
- Economy – expect continued job creation with lower unemployment rates.
- The real estate market continues to show some very positive trends. This is a good sign for our near-term economic success.
- Economic diversification – Workforce training and preparation is the key.
- Aging population - impact on healthcare services and job growth. This has been a long term trend.

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Conclusion(Cont.)

- Our labor market continues to face major challenges. The need to attract high-wage and high-skilled jobs is our primary goal. But we'll need to continue to improve and expand the knowledge and skills of our residents.
- The current economy has led to improved job creation results.
- Key issue remains: Attracting and retaining an experienced workforce.
- Sussex continues to be an attractive tourist and retirement destination. Sussex has been able to attract retirees. This trend is expected to continue.
- Sussex is facing the challenges of an aging population. A positive will be the creation of service careers to support the aging population.
- This will have a continuing impact on healthcare services and job growth (need for younger workers).
- More emphasis is needed for attracting and retaining younger workers and families. The future of our economic development depends on this.
- But we will still need to utilize the experience and abilities of our senior population. Our senior workforce is an asset that needs to be utilized.

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